S&MM

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Inside Out

Playboy's girl guide. Christie Hefner takes her father's empire into the arena of single-issue publications. Page 12.

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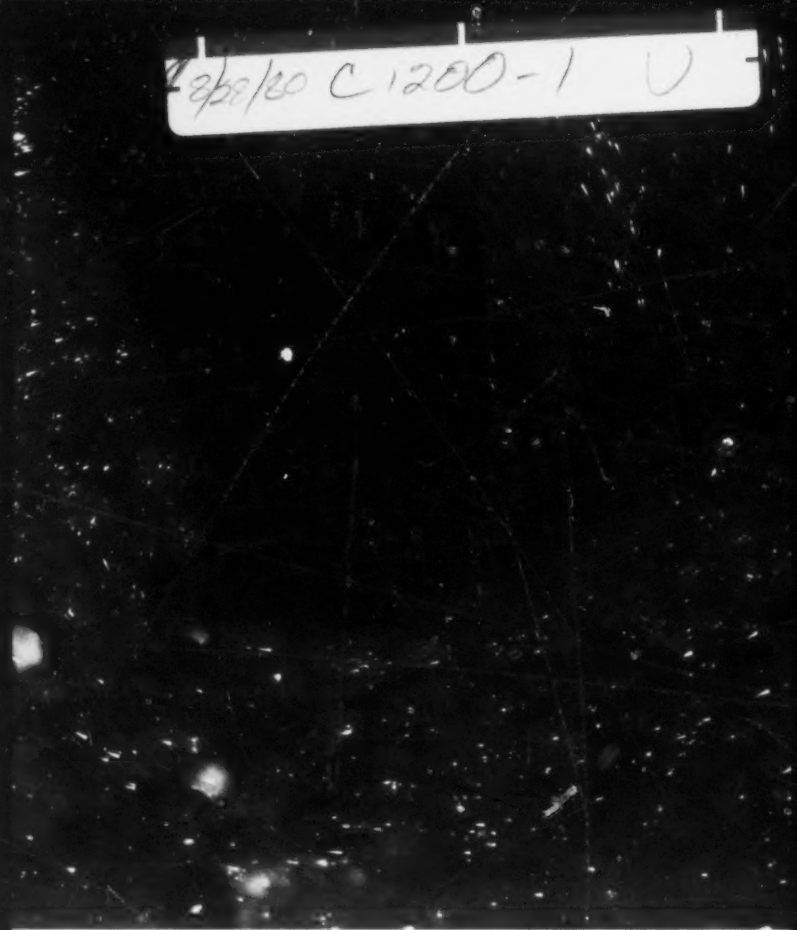

Ocean Spray's canny marketing

Sales are churning as fast as cranberries in a processor for Ocean Spray Cranberries, which this year will sell more than $200 million worth of its sauces, cranberry juice drinks, and grapefruit juice. Keeping the growth on target are George H. Kilpatrick, senior v.p., marketing (*l.*); Andrew J. Murray, v.p., sales; and John D. Walsh, director of marketing, domestic. Article begins on page 31.

AN S&MM SPECIAL SECTION

Recruiting and hiring without surprises

★★★★★★★★

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What's coming up

Industrial marketing. Amweld Building Products Div. of American Welding & Manufacturing is selling more steel doors now that its salespeople are marketing-oriented. Sept. 15.

An S&MM Special Section: Sales Incentives. To get the most out of merchandise, travel, and cash, you've got to consider the total compensation package. A panel of sales executives tells how they do it. Sept. 15.

Executive compensation. S&MM reports how much some of the nation's top sales and marketing executives earned last year. Sept. 15.

Jartran. Jim Ryder, the former chairman of Ryder System, reports a 1000% jump in sales by his new truck rental and leasing company. And, he vows, that's just the beginning. Sept. 15.

An S&MM Special Section: Fleet Cars. Detroit's fleet and leasing people are under the gun to maintain their position in the market. Is this the year when imports will also make it big in fleet sales? Oct. 6.

VOL. 125, NO. 3

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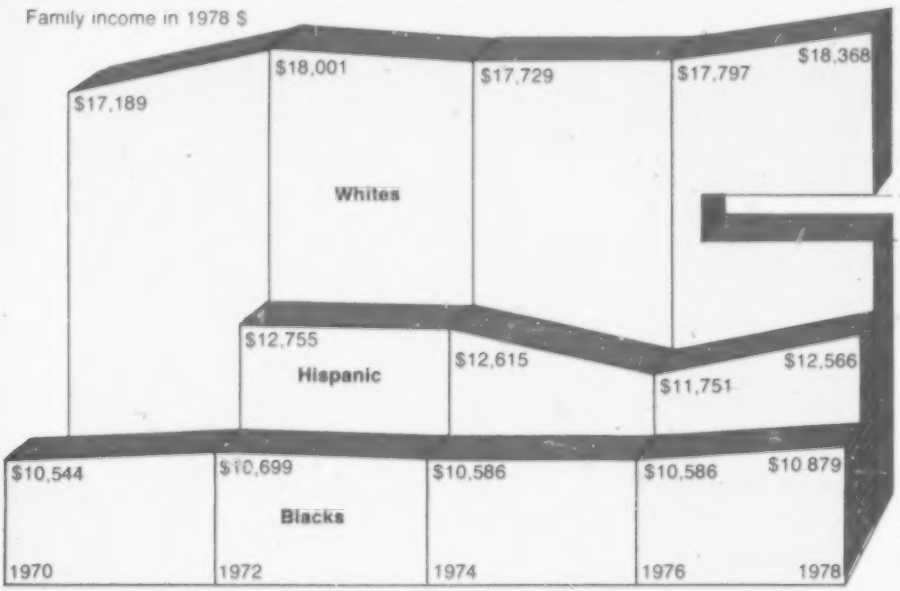
S&MM MARKETGRAPH

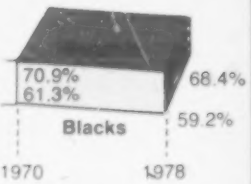
The middle class: The big squeeze is on

That cry about "the squeezing out of the middle classes" is supported by the latest goverment data on family income. During the 1970s, the biggest increases in number of families occurred at both extremes of the income spectrum—among those making less than $10,000 a year as well as over $25,000. Marketers can be cheered by the phenomenal gains registered at the top end of the income scale. Here, minority group gains dramatically eclipsed those of white families despite the fact that overall they fell further behind when measured against white-family buying power. The number of black families pulling down $25,000 or more shot up by two-thirds, Hispanic families by two-fifths.

Faster gains in white family income in the 1970s . . .



. . . leave black, Hispanic families further behind



Note: 1972 for Hispanic families.

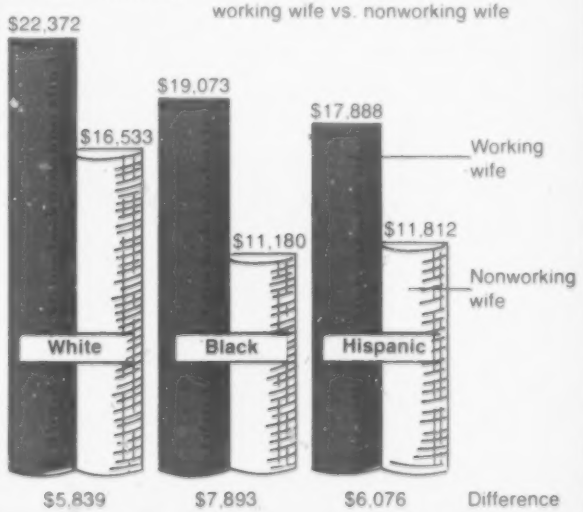
Note: 1972 first year Census Bureau broke out family income for Hispanic population.

Biggest income gains at the top

Family Income Range	*% Change 1970–78*		*1978 Number Of Families (000)*
Under $10,000	+ 5.5%	White	10,895
	+16.6%	Black	2,729
	+21.5%	Hispanic	1,036
$10,000–$14,999	–4.4%		8,451
	+ 3.0%		1,045
	+ 8.4%		581
$15,000–$24,999	+ 2.2%		16,546
	+22.6%		1,341
	+14.1%		754
$25,000 & over	+34.5%		15,018
	+65.5%		791
	+39.1%		370

Wife's paycheck makes biggest difference in black families.

Median income of families with working wife vs. nonworking wife



Sources: S&MM calculations; Census Bureau, *Money Income and Poverty Status of Families and Persons: 1978 (Advance Report)*, Series P-60, No. 120.

† Sales & Marketing Management.

AN S&MM SPECIAL SECTION

Recruiting and hiring without surprises

Increasingly, companies need better qualified sales candidates, and they're finding them. One reason: they're spending more on recruiting than ever before. Another: on college campuses, selling is no longer a dirty word.

Recruiting and hiring without surprises

Higher stakes—but better odds

By ARTHUR J. BRAGG
Senior Editor

Each time Jack Neff, vice president, North American Marketing, a part of Dana Corp.'s Industrial Group (S&MM, Apr. 7), sets out to recruit a new salesperson, the odds are about 30 to 1 against him. But he's not complaining. That's because Neff needs technically competent, applications-minded people—what he calls technical types—who *appear* to be able to sell. Accordingly, Dana recruits on college campuses.

Each prospect is subjected to a long morning's or afternoon's interview. If he or she is technically "up," and only then, the interview turns to personal goals and family background, for Neff believes that candidates whose families are studded with achievers tend to belong to that mold, too. The candidates who survive their campus interviews are invited to do it all over again with Dana's sales and marketing management, at company headquarters in Warren, MI., where the actual selection is made.

More companies are investing the same kind of careful effort in recruiting and hiring that Dana does. Hugo C. Klapelke, marketing vice president for Up-Right Scaffolds, Berkeley, CA, gives a basic reason: "A thorough recruiting and hiring technique results in a professional sales organization." Among other reasons are the increasing sophistication needed in selling today and the mounting costs of sales force turnover. An exclusive S&MM survey on recruiting and hiring, done in June and July, shows that just as companies must have superior new salespeople, the quality of recruits is higher than ever—and so is the challenge of landing them.

Example: The survey shows a reversal of an attitude among college students, often reported on by S&MM, that to them, selling is a dirty word. In the survey, 72% of 227 respondents reported that 51% or more of their new hires in the past year had a college degree (see Table 5). Moreover, almost a quarter of the 138 respondents who answered the question, "What percentage of your new hires had computer training while in school?" put the figure at 50%; another 26% said that anywhere from 21% to 50% of their new hires had such training before signing with them.

"A large percentage of students appear to have a favorable image of a sales job," says Southern Methodist Univ. professor Alan J. Dubinsky. Many, he says, cite as the chief attractions of field selling: a sense of challenge and accomplishment, that it is complex and nonroutine, that it would allow them to be creative, and that it provides opportunity for rapid advancement. In short, many students believe that selling is a good use of a college education.

The survey also shows, however, that once on the job, a college graduate can present special problems for management. Cited especially was unrealistic expectations about how far and how fast they should go in selling. Says Louis W. Kimble, a sales team manager at Pitney Bowes, "It is getting harder to keep the new college graduate satisfied in both compensation and advancement."

Still, trainers will increasingly be dealing with degree-equipped new hires, a certain number of them in selling only because the recession is crimping the number of job offers in many other fields, whereas most companies are adding to

Thank you

S&MM's survey is based on a questionnaire mailed in June to 1,000 subscribers, all of them sales executives at consumer, industrial, or service companies. Data was asked for all new hires, experienced or not.

A total of 315 questionnaires were returned to us, the greatest response to one of our surveys in recent years, indicating to us the importance of recruiting and hiring today. Note: 48 of the questionnaires were from executives who use independent sales agents; these were not included in our tabulations because recruiting such reps is vastly different from the techniques used in connection with company salespeople.

We thank everyone who participated in our survey.

What's their/your sales intelligence?

How well would you do on a test that's aiding sales executives in selecting salespeople? Take the test to find out.

Presented here are 10 questions adapted from the 40-question Diagnostic Sales Intelligence Test being used by Sales Aptitude Corp., a division of Personnel Sciences Center of New York, for recruiting salespeople. The company has evaluated over 27,000 salespeople for such companies as Emery Air Freight, E.F. Hutton, Almay, Inc., Sun Chemical, Hilti, Inc., and Melville Corp. and its Thom McAn division.

The best score is 11 (the final question requires a double answer); the worst possible score is 0.

Preparation

1. As a salesman of complex industrial equipment, which of the following would be most important to you?

a. a full understanding of the equipment
b. an ability to cite exact figures about the equipment's efficiency, life span, production capacity, etc.
c. information about companies that have used this equipment
d. memorizing a standard sales presentation covering all important features of the equipment

2. The salesman should try to understand his prospect in order to (check the *worst* answer)—

a. show that he is interested in the prospect
b. make the sale as fast as possible
c. see the prospect's viewpoint regarding the product
d. quickly establish rapport with the prospect

Opening

3. Prior to your presentation, your prospect, whom you have just met, is talking to you about something not related to your product. While this is going on, the worst thing you could do is—

a. listen attentively
b. mentally review your presentation but appear attentive
c. attempt to politely interrupt so that you can start your presentation.
d. try to get some clues about his personality

4. You have found out that your prospect wants very much to impress his boss. The best way of establishing your relationship with your prospect would be to—

a. mail him a news clipping in which his boss is mentioned
b. put in a good word for him to his boss
c. give him ideas he can present to his own management
d. ask him what you can do to help him impress his boss

Presentation

5. When presenting information about your product, advertising material is best used—

a. as an initial attention-getter
b. in the middle of the presentation to break up whatever boredom there may be
c. as a visual aid, to be referred to from time to time
d. at the end of the presentation, and left with the prospect

6. During the course of a presentation, a prospect inquires about his competitor's plans, with which you are familiar since the competitor is also one of your customers. Which would be the worst course to take?

a. show how ethical you are by refusing to answer such a question
b. help the sale along by telling what you have learned
c. avoid answering by saying that you are not aware of the plans
d. impress your prospect with the idea that he wouldn't want you to divulge such information about his organization

Overcoming Objections

7. When a prospect points out that in certain areas your competitor's product is better, the worst thing you can do is—

a. show how your competitor's product is lacking in other areas
b. point out that this is only a very minor advantage compared with the advantages of your product
c. point out the benefits of your own product
d. subtly deny that his statement is valid

8. Your prospect is a "yes" man who agrees with every point you make. However, when the close is attempted, he says that he needs more time to think it over. When you call on him again, the same situation occurs. What should you do on the third call?

a. continue your presentation, but inform him that you can't call again
b. attempt to close the sale, but if this is not successful, leave and forget this prospect for the time being
c. make a far-fetched claim about your product to see if your prospect is listening
d. ask your prospect directly why he is not giving you the order

Closing

9. What should you do if the buyer of a company constantly refuses you?

a. alter your presentation
b. study the methods of your competition
c. don't call on him for a while
d. attempt to influence his subordinate personnel

10. After completing a rather lengthy presentation which included most benefits and features of your product, you should (check both the best *and* the worst action)—

a. summarize the features in which the person has shown interest
b. suggest that he think a minute before making a decision
c. ask him when he thinks he can make a decision
d. ask him how much of your product he wants to order

Answers appear on page 54.

Recruiting and hiring without surprises

★★★★½★★

their sales force (S&MM, Dec. 10, 1979). These "refugees" offer an opportunity and a problem: their first experiences as salespeople could prompt them to make a career of selling. Otherwise, as the economy frees up, they could look for other jobs.

S&MM's survey also indicates what today's potential new hires are most interested in as rewards for their labors—indicating, of course, which inducements now need to be emphasized, which de-emphasized. The first concern of recruits now is what the employer can offer to ensure that they can expect a sound, profitable career as a salesperson (Table 16). A close runner-up: concern about the rate of compensation. Much less important (only 5.7% of the respondents mentioned it as a prime concern) is worry over having to relocate. Companies seem to fret over this more than do salespeople.

Other concerns cited include the degree of security the company can offer, how much personal independence they can expect to enjoy, and the stability of the company or product line. In fact, Charles Decker Jr., marketing and sales director at Medicornea, Inc., listed as the *primary* concern of the applicants he has recently interviewed whether the company would be able to ensure product availability and "continuity"—a pledge he was quick to make. Another minor concern, despite frequent mention of it in publications, was the amount of time a salesperson spends away from his family; this was rarely cited by companies that interview college graduates. Says Dana's Neff, "College people expect to move because they're usually looking for the best opportunity, and they're not yet tied down with a mortgage."

Not every applicant, even today, knows what his goals should be—and, warns Sally Stevens, a principal at H.R. Chally Co., Dayton, OH, which specializes in evaluating prospects for both small and large companies, therein lies a trap for the unwary sales manager interviewing a prospect.

Says Stevens, "The biggest mistake the manager can make is talking about what *he* wants. The applicant would be stupid not to reiterate it. A manager should start out asking open-ended questions about the applicant, like, 'What are your goals?' or, 'What do you expect to get out of this job?' If you start out telling the applicant what you want, that's what you'll get back."

Additional pitfalls when interviewing are described by John Dobbs, vice president, Development Dimensions International, a Pittsburgh-based manpower and training company. "Salespeople are selected by personality essentially. Not as much attention is given to some of the managerial skills, such as planning and organizing, his ability to analyze data, and, especially, make decisions. These are important skills for a salesperson, but they are often overlooked. Another problem, and it comes up especially when hiring college graduates, is that the company looks for someone who can sell but never has the chance to see the person actually selling. So it ends up how the individual reacts in the interview. They assume that if he's a good interviewee, he'll a good salesman, and that's not necessarily true. Further, we find that there is often no consistency in hiring criteria by different interviewers of the same company."

Despite a consensus that candidates are of better quality than ever before, there are still companies that have more trouble than ever finding what they describe as "qualified" people; in the survey, fully a quarter of the respondents made this complaint. One reason for this may be that they aren't trying hard enough (i.e., spending hard enough). Almost 20% of the respondents who gave data about how much they spend on recruiting and hiring the typical salesperson reported an amount less than $500, and, in some cases, only what it costs to place a classified ad and then take the applicant to lunch. Another 15% said that their spending does not exceed $1,000 per new hire.

In contrast, over 40% of the respondents now spend $3,000 to as much as $25,000 on each new hire, and most of these say that their spending is increasing faster than the inflationary rate. One respondent, who did not identify himself, noted that his company now puts out $5,000 per recruit, a 100% increase over a year ago. A possible explanation: the company's sales force turnover is a whopping 45%, and that scares off all but the most daring of recruits.

Bernard Aiken, national sales manager, Flexion Co., Spencer, MA, who does triple duty (he is responsible for recruiting and interviewing and does the actual hiring) spends an average of $6,000 to find the right individual. Other high spenders are Sperry Vickers, AMD Div., which will put out between $10,000 and $15,000 for the right recruit, and 3M's Static Controls Systems, a whopping $25,000 (a 35% increase over last year). Another heavy investor, at an average of $20,000 per new hire (includes training), is Chicopee Mfg. Co., a textile producer in New Brunswick, NJ, which hires only college graduates, nearly half of whom in the past year were women and 20% black.

Some of the major factors affecting how much the respondents' companies spend include *place* (New England still leads as the costliest locale, followed by the West Coast) and *time*

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Recruiting and hiring without surprises

(several companies noted that their spending is dependent on the current phase of the annual budget). Some respondents put no limit on their spending—"it depends on our needs at the moment"—and several explained that their outlays will vary "according to the value of the recruit." Another respondent summed up, "We spend a sizeable amount per new hire, and we like our campus recruiters to spread the word about it. Today's college people, especially the cream of the crop, find their way to our tables because they're impressed with our high-dollar figures."

But in exchange for a job and the kinds of rewards they value, how long will new salespeople stay with the company? Half of the 236 respondents who answered the question said that their average new hires remain between four to seven years, and 35% said their new hires stay even longer, suggesting that their recruiting and hiring techniques are up to the job. A vast majority (88%) do not try to get their new hires to agree to stay for a specified period; the few who do get a verbal agreement in the interview. Not a single respondent reported using a contract or other written agreement to ensure that new hires stick around.

Instead, companies rely on such methods as vested interests, compensation plans that benefit the long-term worker, and, especially, career pathing, including carefully explaining the typical amount of time for the new hire to become qualified for advancement. Another popular method: guaranteeing the new person's income until he is established as a salesperson. One sales manager's advice to anyone who demands

that his new hires pledge to stay with the company for a specified time: "It won't work."

Still, today's turnover rates mean a continued strong market for employment or placement companies. Joel Rice, at Sales Consultants, a Cleveland placement firm (last year Rice, based in Encino, CA, was its National Account Executive of the Year) traces some of the turnover rate to companies being less than candid with candidates. "An important factor is misrepresentation of the job," he says. "An example: A person takes the job because he's also told he'll have responsibility over five people. But when he gets into the job, he finds out that he doesn't have the real responsibility over them. A lot of companies will do that just to draw people in. A good recruiter will try to find the forest through the trees—try to decipher the blue skies and tell what the job is really all about."

A major problem for companies, the survey shows, is minority hiring. While the percentage of new hires who are women or blacks is on the rise, it's because the minority of companies that hire them are doing it more often. Example: of all Pitney Bowes' new hires in the past year, half were women, 10% were black; five years ago, the figures were 10% women and 10% blacks. But the majority of the companies represented in the survey reported no minority hiring at all, overwhelmingly citing attempts to do so that failed.

Development Dimensions International's John Dobbs notes, "I think there is in most companies an overt attempt to hire minorities of all kinds. One of the problems is that they lower their standards when they do this because there aren't as many good candidates out there." He adds, "The big problem in hiring minorities is that the person just doesn't have the experience, and you can certainly relate experience and qualification in sales. The result is managers have less to go on, so they're more likely to make mistakes."

Whatever the perils, companies will have to risk them. The federal equal employment law will be one stimulant to do so; the other is demographics. In the next ten years, the number of 16–24 year olds in the labor force, the age group that supplies most sales trainees, will drop by more than 1.3 million, but the number of young blacks will double, and, by 1990, women will outnumber men (S&MM, Dec. 10, 1979).

A minority of the respondents echoed some old complaints about the people they hire. A few cited their "attitudinal" shortcomings. "People nowadays are too unsettled to know what they want," said "Dutch" Heider, sales manager, Coca-Cola Bottling Co., Corpus Christi, TX. "There's

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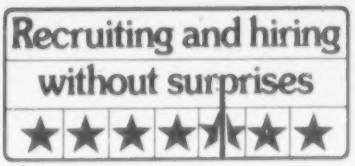

an increasing tendency for them to be dependent on the 'Company,' expecting it to provide all the support. There's not much self-development any more, even among the well-educated," declared I.K. Parker, general sales manager, Moews Seed Co., Granville, IL.

The most common failure laid to today's new hires is lack of agressiveness. "Young applicants don't seem to have the drive or the responsibility compared to five years ago," said Robert Parker, general sales manager, Scripto, Inc. "They're not self-starters—they need to have prospects or accounts assigned to them," noted Ray E. Phillips, sales manager at Rockford Paper Mills, Rosemont, IL. One result: approximately two of every three respondents reported that they now use psychological testing.

The majority view, however, is that new salespeople come to the job with what it takes to excel, as never before. Respondents would overwhelmingly agree with Bernard Barnett's enthusiasm for today's new hires. Says Barnett, director of sales and operations at Sealy Mattress's St. Paul, MN, division, "My expectations have changed as far as longevity is concerned, but I think that their quality is excellent. As a group, they're more articulate and brighter than any I've seen before."

Survey highlights

1. Who in your company is responsible for recruiting and hiring salespeople?*

	Percentage of companies
National sales manager	45.7%
Regional/district manager	30.9
First-level sales manager	29.3
Personnel manager	7.8
Outside agency	2.3
Campus recruiter	1.2
Sales trainer	.8
Other	5.5

2. Who interviews potential recruits?*

National sales manager	56.3%
Regional/district manager	44.5
First-level sales manager	34.0
Personnel manager	23.0
Sales trainer	3.1
Outside agency	3.1
Campus recruiter	1.2
Other	9.4

3. Who hires the recruit?*

National sales manager	43.0%
Regional/district manager	28.5
First-level sales manager	24.2
Personnel manager	2.7
Sales trainer	.4
Campus recruiter	.4
Outside agency	—
Other	7.0

*Based on 256 responses. Multiple answers make totals more than 100%.

4. Has any of the above changed lately?

Yes	6.7%
No	93.3

Based on 239 responses.

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5. What percentage of your new hires in the past year were college graduates?

	Percentage of companies
0%	6.0%
1–5%	2.6
6–10%	1.3
11–20%	2.2
21–50%	15.0
51% or higher	72.9

Based on 227 responses.

6. What percentage of your new hires had computer training while in school?

0%	34.8%
1–5%	4.3
6–10%	5.1
11–20%	5.1
21–50%	26.1
51% or higher	24.6

Based on 138 responses.

7. Has the individual who conducts interviews of potential recruits ever had special training in interview techniques?

Yes	51.3%
No	48.7

Based on 240 responses.

8. How much does your company or division spend on recruiting and hiring of the typical salesperson?

$500 or less	19.7%
$501–$1,000	15.2
$1,001–$1,500	3.8
$1,501–$2,000	9.8
$2,001–$3,000	10.6
$3,001–$5,000	25.0
$5,001–$10,000	6.8
More than $10,000	9.1

Higher sums include training costs. Based on 132 responses.

9. Has this increased in the last year?

Yes	50%
No	50

Based on 178 responses.

10. What do you consider is the biggest challenge in your recruiting?

Finding qualified people	82.8%
Making the choice	9.0
Meeting government standards	3.5
Conducting interviews	2.7
Other	2.0

Based on 257 responses.

11. Sales force turnover: What do you estimate is your current rate of turnover of salespeople, both those new to selling and experienced?

Turnover	Percentage of companies
0%	14.0
1–4%	11.5
5–10%	8.5
11–20%	38.0
21–30%	24.0
31–50%	4.0

Based on 200 responses.

12. How do you think your turnover rate compares with your competitors'?

Lower	60.8%
Same	30.1
Higher	9.1

Based on 209 responses.

13. When you hire, do you tap nonsales personnel from within your company who might make good salespeople?

Yes	67.5%
No	32.5

Based on 234 responses.

(continued on next page)

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Circle No. 111 on Reader Service Card

Recruiting and hiring without surprises

14. How did tapping nonsales personnel work out?

	Percentage of companies
Excellent	18.6%
Good	35.7
Fair	28.6
Poor	17.1

Based on 140 responses

15. Compared with last year, does your company now have

More trouble recruiting qualified salespeople?	25.8%
Less trouble recruiting qualified salespeople?	49.4
About the same as last year?	24.8
More sales training?	51.7
Less sales training?	5.1
About the same as last year?	43.2

Based on 248 responses

16. The major concern of your new hires is:

Career path	45.3%
Compensation	43.0
Relocation	5.7
Other (stability of company, independence, time away from family, benefits, etc.)	6.0

Based on 265 responses

17. How long is the average new hire likely to stay with your company?

1 year	4%
2–3 years	16.1
4–7 years	50.4
Longer	33.1

Based on 236 responses

18. Do you try to get new hires to agree to stay at least for a specified period?

Yes	11.9%
No	88.1

Based on 227 responses S&MM

Answers to the quiz appearing on page 47 are:

1. a 6. b
2. b 7. d
3. c 8. d
4. c 9. a
5. c 10. a (best), c (worst)

The best possible score is 11; the worst possible score is 0.

NOTE

ONLY THE FOLLOWING PAGES OF THIS

PUBLICATION HAVE BEEN FILMED

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46, 51-52, 54.

SEPT 15 1980

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S&MM

SEPTEMBER 15, 1980
A BILL PUBLICATION
TWO DOLLARS

SALES MARKETING MANAGEMENT

S&MM'S ANNUAL COMPENSATION SURVEY

WHAT TOP SALES AND MARKETING EXECUTIVES EARN

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AN S&MM SPECIAL SECTION

SOLVING THE INCENTIVE PUZZLE

Page 63.

Inside Out

Sales meetings by satellite. Holiday Inns links several locations together for teleconferencing. Page 10.

Oscar Mayer's dispute with the IRS over fleet-car mileage may wind up in the Supreme Court. Page 10.

Business as usual at the FTC. The regulatory agency took it on the chin from Congress, but it's in there swinging against P&G. Page 11.

S&MM Barometer. Industrial marketing may pick up early ... business ... Page 3.

Advertising. Cable TV's *Home Shopping Show* poses an intriguing question: Will viewers watch a program that's just commercials? Page 14.

Kodak shows them how. Its Business Systems Markets Div. wins two awards from the National Trade Show Exhibitors Assn. Page 16.

Bell & Howell's popular modules. So strong is demand for its modular home-movie system that B&H dealers are on ... Page 3.

Jartran pulls up to full service

Page 37.

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What's coming up

Industrial marketing. Amweld Building Products Div., a part of American Welding & Manufacturing, is selling more steel doors now that its salespeople are marketing-oriented. Oct. 6.

An S&MM Special Section: Fleet Cars. Detroit's fleet and leasing people are under the gun to maintain their position in the market. Is this the year when imports will also make it big in fleet sales? Oct. 6.

Survey II. To help marketers plan their budgets, the *Survey of Buying Power—Part II* offers an update on the demographic and economic characteristics of newspaper and TV markets. Included are all-important five-year projections of U.S. and Canadian metro markets. Oct. 27.

Women in Selling. Intriguing results of an exclusive S&MM survey about the growing role of women in the sales force. Nov. 17.

An S&MM Special Section: Sales Meetings. The cost of getting together is higher than ever. As a result, marketers are taking a hard look at their meeting plans. Nov. 17.

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Those linguistic pretzels ("he/she") we use to keep from offending either sex can be avoided. Here's how.

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allowances to retailers who stray from suggested list prices.

• Announcing it will screen ads of foods and beverages containing fructose to assure that claims for the sugar substitute aren't excessive.

Of these, the warranty actions could have the broadest impact on marketers. FTC attorneys say retailers have been generally lax in making warranties available for presale inspection. An FTC administrative law judge has already found Montgomery Ward in violation and the commission recently sent warnings to 17 "major national retail chains" (without disclosing their names).

More fur will fly when the commission publishes long-pending rules affecting companies that offer *full* warranties, some of which will bar the warrantor from requiring an unhappy customer to send the product back only to the selling dealer or make him pay for shipping. Also, manufacturers could no longer require the consumer to mail in a warranty registration card in order for it to be "legal."

In all of this, the commission insists it's being evenhanded. Its staffers point out that instead of opting for painfully detailed rules on how warranties must be worded and designed, it will simply publish an informal "handbook" in November suggesting ways warranties might be made more readable. And because it wants to spur more warranty competition, the agency has asked the public to suggest other enforcement tools to replace its inflexible 1960 Guides Against Deceptive Advertising of Guaranties.

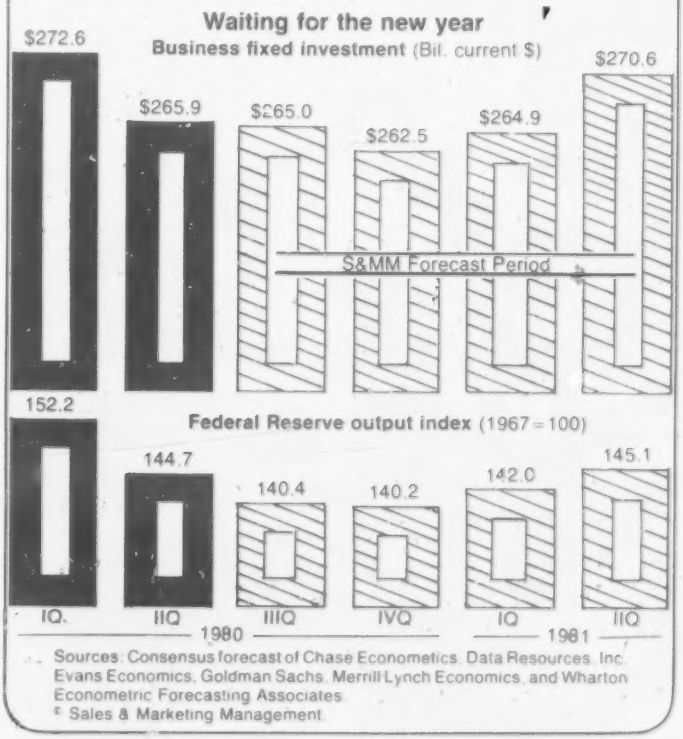
"The guides discourage advertising because they require all ad claims to explain each

S&MM BAROMETER

A good start in '81 for industrials

Industrial marketers face another couple of months of downbeat prospects, but new orders may quicken in December. Two indicators of industrial sales activity—business fixed investment and the Federal Reserve Board's industrial output index—are expected to continue to fall the rest of the year. However, by 1981's opening quarter, business investment is expected to show a quarter-to-quarter gain of 0.9%, industrial output a gain of 1.3%, suggesting industrial buyers will start placing orders in the last weeks of 1980.

However, the recovery is likely to be more sluggish than the one following the 1973–75 recession because of "continued high interest rates and the failure to make more of a dent in the inflation rate," says Allen Gutheim, staff economist at Wharton Econometric Forecasting Associates. A dourer Gary Wenglowski, economic research director at Goldman Sachs, warns that a short recovery could turn into another recession due to a delayed tax cut, weakening foreign economies, and worsening inflation.



Sources: Consensus forecast of Chase Econometrics, Data Resources, Inc., Evans Economics, Goldman Sachs, Merrill Lynch Economics, and Wharton Econometric Forecasting Associates.

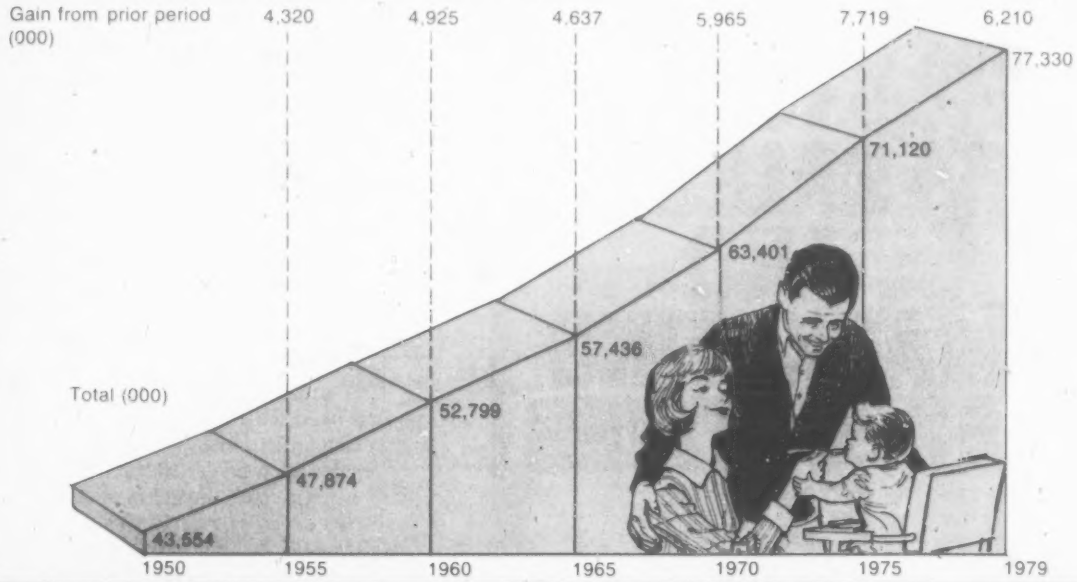
S&MM MARKETGRAPH

Households: Growing fast, shrinking fast

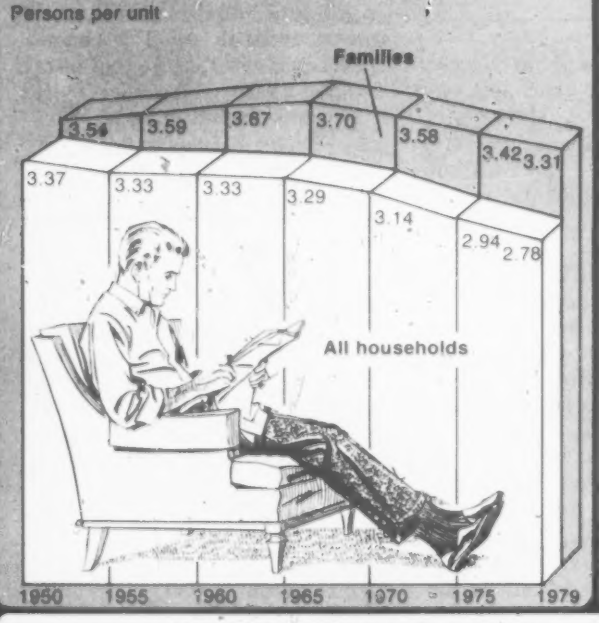
Household growth in the 1970s topped 22%, the fastest rate of the three postwar decades. In contrast, the number of households rose 20% in the 1960s and 21% in the 1950s. The reason for the accelerated pace, of course, was the maturing of the postwar baby crop, as millions of young adults moved into the prime household-formation years.

Changes in lifestyles are leaving their imprint on household characteristics. The typical household has been shrinking in size since 1964, the average family since 1966. Behind this trend are the explosive growth in one-person households (up 59% in the last decade), marriages at a later age, the increase in divorces, and declining birthrates.

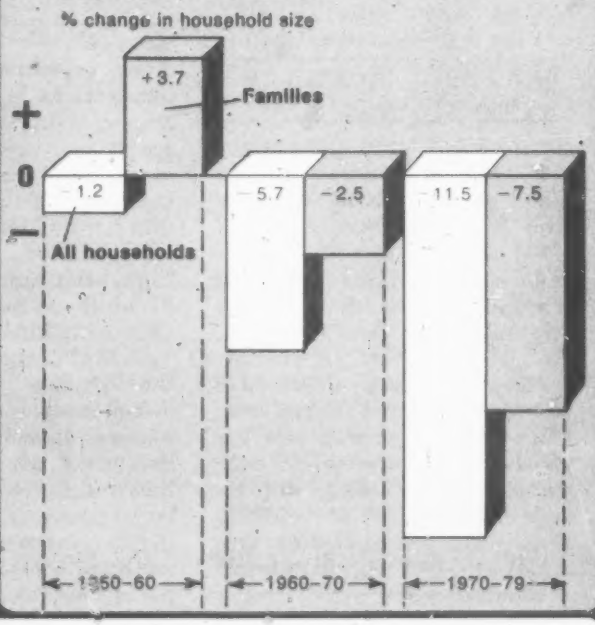
The number of households grows steadily



But their size continues to shrink . . .



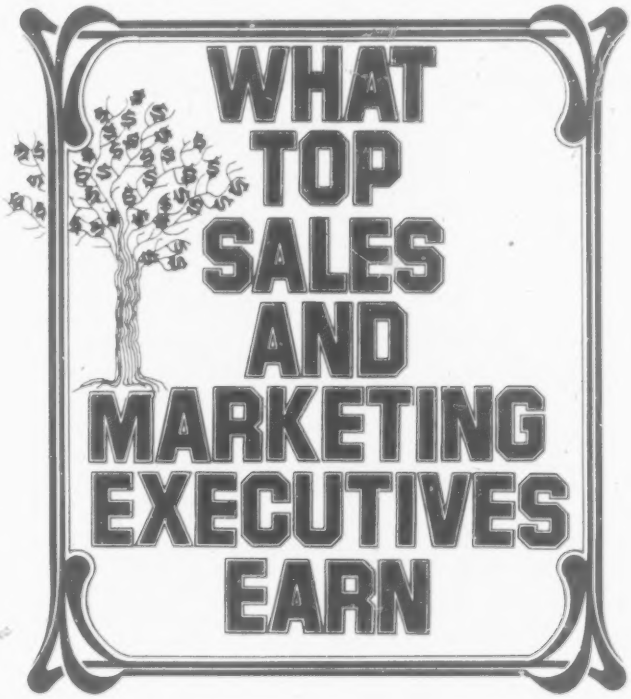
. . . at an ever faster rate



Source: S&MM calculations, Census Bureau, *Households and Families by Type*, Series P-20, No. 345

Sales & Marketing Management

S&MM'S ANNUAL COMPENSATION SURVEY



By THAYER C. TAYLOR
Senior Editor/Management Sciences

The best paid executives in sales and marketing work for the largest companies, right? Not necessarily, S&MM's annual compensation survey indicates. At the head of the list are two marketers from Comdisco, Inc., the Rosemont, IL, computer leasing company whose 1979 revenues were $153 million. The highly motivated pair are Nicholas DiBari, senior vice president, marketing, with total compensation of $674,253 and John Slevin, sales vice president, who earned $600,897.

Their pay ran well ahead of many executives from larger corporations last year. For example, William S. McConnor, senior vice president, refinery marketing, at $8.1-billion Union Oil of California, ranks fifth in S&MM's survey with compensation of $339,666. Right after him is C.H. King of $7.9-billion Standard Oil of Ohio with $334,790.

S&MM's survey, based on the proxies that publicly-owned companies file with regulatory agencies, covers 113 executives at 100 companies. Sibson & Co., a Princeton, N.J.-based consulting firm specializing in compensation programs, analyzed the proxies and prepared the tables exclusively for S&MM.

The survey reveals that the average marketer earned $151,642 in 1979, but this is not directly comparable with the $124,700 figure in last year's survey. That's because long-term income, such as gains realized from the exercise of stock options and stock appreciation rights, is included in this year's survey data for the first time. However, Sibson did restate the income totals from last year and reports that marketers' compensation rose 16% in 1979 while company sales increased 24%.

By and large, the better an industry did, the more handsomely its marketers made out. Chemical industry marketers scored the biggest compensation gain, 48%, while industry sales rose 23%, the fifth fastest among the industries where two or more companies are represented. Petroleum placed second in both compensation gains, up 46%, and sales, up 40%. Other industries where marketers made substantial gains: apparel, up 27%, business equipment, 26%, and beverages, 25%.

On an individual basis, Murphy Oil's John L. Solomon racked up the fattest year-to-year increase, 167% to $211,441. Following him were First Mississippi's James W. Crook, up 98% to $218,714; Leggett & Platt's Ralph V. Johnson, 85% to $147,859; Mohawk Data Sciences' Douglas A. Davidson, 82% to $226,109, and Mirro Corp.'s William T. Alldredge, 71% to $103,240. Except for Alldredge, the hefty boosts were chiefly due to stock deals. Davidson, Solomon, and Johnson had much smaller increases in their base pay, while Crook actually had a 14% decline in his basic compensation.

Not everyone brought home a bigger paycheck, however. Those who felt the pinch the most were Charles A. Bucks, Continental Air Lines, down 54% to $149,524; William H. Waltrip, Pan American, down 29% to $189,208; Earl L. Dearhart, Southern Railway, down 27% to $154,365; Frederick S. Donnelly Jr., Armstrong Cork, down 24% to $155,110, and W. Harrison Lackey, Lukens Steel, down 20% to $99,839. In most cases, the slippage was brought about by special factors. Bucks, for example, received $120,188 in stock options in 1978 but, nothing in 1979. Others received special one-time payments the earlier year—Donnelly a sizeable foreign service allowance and Waltrip a special payment of $97,500 for remaining on the job through a certain date.

Economic conditions took their toll in certain industries. Reflecting the housing slump, building materials marketers suffered a 10% drop in compensation. Steel company executives' paychecks were slimmed 7% as a result of import competition and the woes of their biggest customer, autos.

"Stock options continue to be the best long-term income game in town," says John A. Fischer, Sibson vice president. "They are more prevalent compared to such alternatives as performance units [amounts realized by executives who achieve certain long-term goals set by their companies] or restricted stock [shares granted to key employees that can't be sold for a certan period of time]. Options offer the potential for more economic gain, but they also pose more of a risk."

Still, their popularity dimmed in 1979, S&MM's data show. The proportion of marketers on stock option plans edged down from 67% in 1978 to 61% in 1979, and those granted stock options dropped even faster: 29% to 17%. Furthermore, relatively fewer marketers exercised their stock options last year: 22% vs. 30% the year before. Apparently, to make it into the ranks of top-paid marketers it helps to keep an eye on the financial pages as well as the sales charts.

The 10 top paid sales and marketing executives

	Cash Income*	Other Income†	Total Compensation
1. Nicholas DiBari *senior v.p., marketing* **Comdisco**	$674,241	$ 12	$674,253
2. John Slevin *v.p., sales* **Comdisco**	$600,862	35	600,897
3. Irving L. Rousso *executive v.p., sales and merchandising* **Russ Togs**	499,000	32,700	531,700
4. John G. Hill *v.p., sales* **Storage Technology**	145,000	201,658	346,658
5. William S. McConnor *senior v.p., refinery marketing* **Union Oil of California**	306,921	32,745	339,666
6. C.H. King *senior v.p. marketing & refining* **Standard Oil (Ohio)**	181,450	153,340	334,790
7. David M. Tracy *senior v.p. and pres., Fieldcrest Div. sales* **Fieldcrest Mills**	210,300	78,277	288,577
8. Richard Barrie *senior executive v.p., marketing & sales* **Faberge**	259,917	22,668	282,585
9. Benjamin O. Sampson *pres., marketing div.* **Cone Mills**	247,500	17,875	265,375
10. Robert L. Lair *senior v.p., marketing* **Cessna Aircraft**	139,924	102,825	242,749

*Salaries, fees, directors' fees, bonuses, commissions
†Securities, profit sharing, personal benefits
Source: Sibson & Co.
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(Complete survey starts on next page.)

Executive compensation survey

Company	Revenues ($Mil.)	Individual and Title	Total Compensation*	Shares Common Stock Owned	Stock Options	Additional Compensation Plans
AEROSPACE AND AIR TRANSPORTATION						
Cessna Aircraft	$ 939.3	Robert L. Lair *senior v.p., marketing*	$242,749	61,974	Exercised; Unexercised Options Held	Merit Incentive Compensation Plan; Employee's Investment Plan; Restricted Stock Plan
Continental Air Lines	927.6	Charles A. Bucks *executive v.p., marketing*	149,524	25,033	Granted; Unexercised Options Held	Incentive Compensation Plan
Eastern Air Lines	2,881.5	Russell L. Ray Jr. *senior v.p., marketing*	156,539	23,800	Granted; Unexercised Options Held	Profit Sharing Plan; Variable Earnings Plan; Performance Share Plan
Frontier Airlines	389.7	Gordon Linkon *v.p., marketing*	104,838		None Granted; Exercised	Savings Plan & Trust
Pan American World Airways	2,484.7	William H. Waltrip *executive v.p., marketing and services*	189,208	100	None Granted; Unexercised Options Held	Incentive Compensation Plan; Long-Term Incentive Plan
Western Airlines	932.1	Richard P. Ensign *senior v.p., marketing*	183,900	735	None Granted; Unexercised Options Held	Incentive Compensation Plan
APPAREL						
Blue Bell	1,029.5	Edwin F. Lucas Jr. *v.p., marketing*	203,175	29,700	None Granted; Unexercised Options Held	Management Incentive Compensation Plan; Savings & Profit Sharing Plan
Russ Togs	177.5	Irving L. Rousso *executive v.p., sales and merchandising*	531,700	121,776	None Granted; Unexercised Options Held	Profit Sharing Plan; Deferred Compensation Plan
Russ Togs	177.5	Joel S. Grey *executive v.p., marketing*	110,000	1,335	None Granted; Unexercised Options Held	
AUTOMOTIVE PARTS						
Champion Spark Plug	806.5	Charles A. Schwalbe Jr. *v.p., sales*	159,948		Granted; Exercised; Unexercised Options Held	Salaried Employees' Performance Bonus Program
Standard Products	216.2	William T. Barber *v.p., sales*	74,981		Granted; Exercised; Unexercised Options Held	Incentive Compensation Plan
BEVERAGES						
G. Heileman Brewing	657.3	John S. Pedace *executive v.p., marketing*	198,284	10,575	Granted; Exercised; Unexercised Options Held	Profit Sharing Plan; Employee Stock Ownership Plan
Pabst Brewing	785.0	John D. Reifenrath *executive v.p., marketing*	126,565	1,000	None Granted	Deferred Compensation Plan; Executive Incentive Plan
F&M Schaefer	165.7	Alfred A. Tanck *senior v.p., marketing and sales*	105,467			Incentive Compensation Plan
BUILDING MATERIALS						
Susquehanna	126.9	George R. Schwartz *v.p., marketing and planning*	58,317		None Granted; Unexercised Options Held	Thrift Savings Plan; Incentive Program

*Includes salaries, fees, incentives, and bonuses paid in cash as well as gains realized from the exercise of stock options or stock appreciation rights (SARs). In previous years, S&MM's survey did not include gains from stock options or SARs.

Executive compensation survey

Company	Revenues ($Mil.)	Individual and Title	Total Compensation*	Shares Common Stock Owned	Stock Options	Additional Compensation Plans
BUILDING MATERIALS *(continued)*						
Triangle Pacific	$ 233.7	Joseph Nussbaum *executive v.p., sales and marketing*	$174,364		None Granted	Profit Sharing Plan; Stock Incentive Plan
BUSINESS EQUIPMENT						
Burroughs	2,831.0	J. Roy Henry *executive v.p., marketing*	209,121		Granted; Unexercised Options Held	Bonus Plan
Comdisco	153.0	Nicholas DiBari *senior v.p., marketing*	674,253			
Comdisco	153.0	John Slevin *v.p., sales*	600,897			
Data General	507.5	Herbert J. Richman *senior v.p., marketing*	111,000	241,900		
Deluxe Check Printers	366.1	Robert D. Racine *senior v.p., marketing*	92,475	16,182		Profit Sharing Plan; Employee Stock Purchase Plan
Mohawk Data Sciences	66.9	Douglas A. Davidson *senior v.p., marketing*	226,109		Exercised; Unexercised Options Held	Executive Insurance Plan; Supplemental Income Plan; Executive Bonus Plan
Prime Computer	152.9	R.M. Morrill *v.p., marketing*	162,891		Unexercised Options Held	Employee Stock Purchase Plan; Management Incentive Plan
Standard Register	265.7	John W. Reed *v.p., marketing*	163,443			Stock Incentive Plan; Key Employees Incentive Plan
Standard Register	265.7	Robert W. Plunkett *general sales manager*	128,820			
Storage Technology	376.8	John G. Hill *v.p., sales*	346,658		Granted; Exercised; Unexercised Options Held	Employee Stock Purchase Plan; Profit Sharing & Thrift Plan; Management Incentive Plan
Sykes Datatronics	12.3	Albert J. Montevecchio *executive v.p., marketing*	94,220	5,410		
CHEMICALS						
First Mississippi	178.4	James W. Crook *v.p., marketing*	218,714		None Granted; Exercised	Thrift Plan; Performance Unit Plan; Bonus Plan (Cash)
Lubrizol	724.7	J.R. Stitt *v.p., sales*	174,897	52,419	Granted; Unexercised Options Held	Profit Sharing Plan; Equity Purchase Plan; Bonus Plan; Employee Stock Purchase Plan
Stepan Chemical	145.0	Eldridge J. Black *v.p. & director, marketing*	101,068	8,592	None Granted; Unexercised Options Held	Management Incentive Compensation Plan; Profit Sharing Plan
Terra Chemicals	254.1	Lawrence W. Galloway *senior v.p., agricultural marketing*	98,525		None Granted; Unexercised Options Held	Long-Term Performance Incentive Plan; Key Managers Incentive Plan
Terra Chemicals	254.1	Douglas Kelly *v.p., retail*	86,751		Unexercised Options Held	

*Includes salaries, fees, incentives, and bonuses paid in cash plus gains from the exercise of stock options or SARs

Executive compensation survey

Company	Revenues ($Mil.)	Individual and Title	Total Compensation*	Shares Common Stock Owned	Stock Options	Additional Compensation Plans
COAL AND MINING						
Rochester & Pittsburgh Coal	$204.3	Donald C. Farnsworth *v.p., sales*	$91,450			Deferred Compensation
Texasgulf	789.3	J.W. Hall Jr. *v.p., business development*	117,354		Granted; Unexercised Options Held	Incentive Stock Plan; Bonus Plan
Westmoreland Coal	385.3	Pemberton Hutchinson *executive v.p. marketing*	133,020	2,208		Employees Stock Ownership Plan
CONSUMER PRODUCTS						
BIC Pen	179.0	Bruno Bich *v.p., sales & marketing*	108,586			
COSMETICS AND TOILETRIES						
Faberge	245.3	Richard Barrie *senior executive v.p., marketing & sales*	282,585	5,789		Executive Compensation Plan
La Maur	41.8	Frank J. Liguori *v.p., salon division*	102,735	14,770	None Granted; Exercised; Unexercised Options Held	Incentive Plan; Profit Sharing Trust
Tampax	194.8	Oliver C. Grey *v.p., sales*	71,850			
ELECTRONICS						
Comdata Network	11.2	Alan C. Abrams *v.p., marketing*	83,139			Profit Sharing
Cubic	171.7	C.C. Wellborn *v.p., marketing*	94,129		None Granted; Exercised	Profit Sharing Plan
Franklin Electric	140.9	Donald P. McArdle *v.p., marketing*	96,345		None Granted; Unexercised Options Held	Bonus Plan; Employees Savings Plan
Printronix	20.6	Melvin Posin *senior v.p., marketing*	76,141			
FABRICATED METALS						
Mirro	151.6	William T. Alldredge *v.p., marketing & sales*	103,240	1,460	None Granted	Profit Sharing
Revere Copper and Brass	788.1	J.W. Eason *executive v.p., aluminum sales*	160,155	6,500	Unexercised Options Held	Incentive Compensation Plan
FINANCIAL						
Kansas City Life	157.4	D.D. Dysart *senior v.p., marketing*	86,156	171		
Nationwide Life Insurance	335.8	G.G. Frost *v.p., life, health, equity marketing*	66,961			Incentive Savings & Progress Sharing Plan
FOOD						
Dean Foods	507.4	John V. Guckien *executive v.p., marketing*	159,861	26,753		Deferred Compensation Plan; Supplemental Incentive Compensation Plan; Bonus Plan
Dinner Bell Foods	257.8	Terry S. Elberson *executive v.p., marketing*	89,750		None Granted; Exercised	Incentive Compensation
Knudsen	368.2	John P. Shannon *v.p., marketing*	94,920			Key Executive Incentive Plan; Stock Purchase Plan

*Includes salaries, fees, incentives, and bonuses paid in cash plus gains from the exercise of stock options or SARs

Executive compensation survey

Company	Revenues ($Mil.)	Individual and Title	Total Compensation*	Shares Common Stock Owned	Stock Options	Additional Compensation Plans
FOOD *(continued)*						
Rath Packing	$316.9	John F. Lambert *senior v.p., sales & marketing*	$54,677	150		
Russell Stover Candies	128.8	Paul D. Newell *executive v.p., sales*	95,200	100		
Russell Stover Candies	128.8	Harry G. Ervin Jr. *v.p., sales*	52,500			
J.M. Smucker	151.0	William P. Boyle Jr. *v.p., director–marketing*	117,722	10,500	None Granted; Unexercised Options Held	
Tyson Foods	382.2	Robert Atchison *v.p., marketing & processing*	107,831		None Granted	Profit Sharing Plan; Tax Reduction Act Stock Ownership Plan; Employee Stock Purchase Plan
FOOD EQUIPMENT						
Hobart	632.2	Richard L. Swob *v.p., marketing (Hobart Div.)*	94,704		Unexercised Options Held	Executive Incentive Plan
GLASS						
Guardian Industries	281.2	Murray J. Yudin *v.p., national sales*	231,647	70,872		Stock Ownership Plan; Thrift Plan; Deferred Bonus Plan
Guardian Industries	281.2	Norman Shulman *v.p., flat glass sales*	230,902			
Midland Glass	162.7	J. Richard Woods[1] *v.p., sales*	75,000			
HOUSEHOLD EQUIPMENT						
Armstrong Cork	1,341.1	Frederick S. Donnelly Jr. *group v.p., international & corporate markets sales operations*	155,110	1,730	Granted; Unexercised Options Held	
Conair	50.8	Jerry Kampel *v.p., retail sales*	99,206		None Granted; Unexercised Options Held	Executive Medical Reimbursement Plan
Conair	50.8	Murray Stern *v.p., professional sales*	69,567	Granted;	Unexercised Options Held	
Keller Industries	179.4	Charles A. Mercer[2] *executive v.p., sales & marketing*	61,600		None Granted; Exercised	
Kimball International	211.1	Robert R. Laube *senior executive v.p.; director of marketing*	162,773	10,070	Granted; Unexercised Options Held	Executive Bonus Plan; Profit Sharing Plan
Kirsch	154.4	Richard U. Scott *v.p., marketing*	63,500	375	None Granted; Unexercised Options Held	Incentive Compensation Plan; Thrift Plan
Kroehler Mfg.	116.3	Gary K. Schroeder[3] *v.p., sales & marketing*	99,519		None Granted; Unexercised Options Held	Supplementary Employees Retirement Plan
Leggett & Platt	214.6	Ralph V. Johnson *senior v.p., marketing*	147,859	44,786	None Granted; Exercised; Unexercised Options Held	Savings Plan

*Includes salaries, fees, incentives, and bonuses paid in cash plus gains from the exercise of stock options or SARs.
[1]Resigned Aug. 29, 1979.
[2]Resigned Aug. 22, 1979.
[3]Resigned Mar. 31, 1980.

Executive compensation survey

Company	Revenues ($Mil.)	Individual and Title	Total Compensation*	Shares Common Stock Owned	Stock Options	Additional Compensation Plans
HOUSEHOLD EQUIPMENT *(continued)*						
Magic Chef	$ 409.7	J. Hoyle Rymer *v.p., operations*	$67,720	60,845	None Granted; Unexercised Options Held	Executive Incentive Plans; Supplemental Retirement Plan
National Presto Industries	111.8	Walter G. Ryberg *v.p., sales*	134,946			Officer Stock Purchase Plan; Bonus Plan
Whirlpool	2,261.2	Jack D. Sparks *executive v.p., marketing*	196,873†	29,918	Granted; Exercised; Unexercised Options Held	Key Executive Incentive Plan; Profit Sharing Plan
INDUSTRIAL EQUIPMENT						
Fischer & Porter	165.1	Robert S. Peterson *senior v.p., marketing*	79,996		None Granted; Exercised; Unexercised Options Held	Management Incentive Bonus Plan; Incentive Savings Program
National-Standard	331.6	W.D. Peace *v.p., marketing*	133,688	19,282	Exercised; Unexercised Options Held	
Shopsmith	16.1	Larry A. Blank *senior v.p., sales*	93,351			
Snap-On Tools	373.6	Marion F. Gregory *v.p., general sales manager*	167,687		None Granted; Exercised; Unexercised Options Held	Employee Stock Purchase Plan
Square D	826.1	W.R. Clarke *v.p., marketing*	140,731	11,529	None Granted; Exercised	
INSTRUMENTATION						
Kevex	12.5	Richard J. Cushing *v.p., marketing*	91,010			Profit Sharing Plan
LUMBER						
Edward Hines Lumber	348.5	W.M. Archibald *v.p., retail sales*	84,511		None Granted	Incentive Bonus Plan
MACHINERY						
Koehring	476.9	John Radomsky *group v.p., crane & excavator marketing*	119,094		None Granted; Exercised; Unexercised Options Held	Incentive Bonus Plan
Manitowoc	281.4	P. Ralph Helm *v.p., sales*	103,652	53,184	Granted; Unexercised Options Held	Bonus Plan; Profit Sharing Plan
PAPER						
Federal Paper Board	419.1	George E. Oakley Jr. *v.p., sales*	155,015	6,258	Exercised; Unexercised Options Held	Savings and Stock Ownership Plan; Incentive Compensation Plan; Long-Term Compensation Plan
PETROLEUM						
Crown Central Petroleum	1,054.8	Jesse D. Winzenried *group v.p., administration and marketing*	162,127	6,835		Employee Saving Plan
MAPCO	857.9	David A. Roach *executive v.p., marketing supply and transportation*	168,570†			Incentive Compensation Plan; Profit Sharing Plan; Tax Reduction Act Stock Ownership Plan

*Includes salaries, fees, incentives, and bonuses paid in cash plus gains from the exercise of stock options or SARs.
†Includes incentive compensation awarded for 1978 and paid in 1979.

Executive compensation survey

Company	Revenues ($Mil.)	Individual and Title	Total Compensation*	Shares Common Stock Owned	Stock Options	Additional Compensation Plans
PETROLEUM *(continued)*						
Murphy Oil	$1,595.9	John L. Solomon *v.p., marketing*	$ 211,441		Granted; Exercised; Unexercised Options Held	Incentive Bonus Plan; Employee Thrift Plan; Employee Stock Ownership Plan
Standard Oil (Ohio)	7,916.0	C.H. King *senior v.p., marketing & refining*	334,790		Granted; Exercised; Unexercised Options Held	Employees Investment Plan; Tax Reduction Act Stock Ownership Plan; Deferred Compensation Plan
Union Oil Co. of California	8,081.8	William S. McConnor *senior v.p., refinery marketing*	339,666	13,106	None Granted; Exercised; Unexercised Options Held	Incentive Compensation Plan; Employee Profit Sharing Plan; Employee Stock Ownership Plan; Performance Share Plan
RESTAURANTS						
Ginc's	330.4	Rufus K. Schriber *v.p., marketing*	70,051			Performance Share Plan
RUBBER						
Cooper Tire & Rubber	283.2	W.T. Fitzgerald *v.p., marketing*	101,615	9,932	None Granted; Unexercised Options Held	Thrift & Profit Sharing Plan
Mohawk Rubber	210.2	Hugh C. Ferguson *v.p. & sales manager*	76,042		None Granted; Unexercised Options Held	
SERVICES						
American Management Systems	22.0	Patrick W. Gross *executive v.p., corporate marketing*	87,360	44,503		Incentive Compensation Plan
Tymshare	150.0	Ronald Braniff *group v.p., computer services*	151,317			
STEEL						
Inland Steel	3,638.2	Derrick L. Brewster *v.p., sales*	187,100		None Granted; Unexercised Options Held	Thrift Plan; Performance Incentive Plan; Employee Stock Purchase Plan
Lukens Steel	342.3	W. Harrison Lackey *v.p., marketing & public relations*	99,839		None Granted; Unexercised Options Held	Incentive Compensation Plan; Savings & Vacation Plan
Pittsburgh-Des Moines Steel	298.4	L.E. Anderson Jr. *v.p., sales & engineering*	138,080	2,647	None Granted; Exercised; Unexercised Options Held	Savings & Investment Plan; Deferred Compensation Plan
SUPERMARKETS						
Super Valu Stores	3,475.2	Gene D. Hoffman *v.p., marketing*	169,973		Unexercised Options Held	Incentive Bonus Plan
TEXTILES						
Burlington Industries	2,676.3	Abraham B. Stenberg *group v.p., merchandising*	200,047	2,985		Unit Incentive Plan; Employee Stock Ownership Plan; Profit Sharing Plan

*Includes salaries, fees, incentives, and bonuses paid in cash plus gains from the exercise of stock options or SARs.

Executive compensation survey

Company	Revenues ($Mil.)	Individual and Title	Total Compensation*	Shares Common Stock Owned	Stock Options	Additional Compensation Plans
TEXTILES *(continued)*						
Cone Mills	$681.3	Myron L. Silverstein *executive v.p., marketing division*	$230,000	3,024	None Granted	Profit Sharing Plan; Employee Stock Ownership Plan
Cone Mills	681.3	Benjamin O. Sampson *pres., marketing division*	265,375	8,424	None Granted; Exercised	
Crompton	158.4	Ewart J. White Jr. *v.p., marketing*	196,509		Granted; Exercised; Unexercised Options Held	Profit Sharing Plan; Incentive Compensation Plan
Crompton	158.4	R. Stephen Vignolo *v.p. & group marketing director*	94,281		Granted; Unexercised Options Held	
Fieldcrest Mills	517.7	David M. Tracy *senior v.p. and pres. Fieldcrest division sales*	288,577		None Granted; Exercised; Unexercised Options Held	Profit Sharing Plan; Restricted Stock & Performance Share Plan
Fieldcrest Mills	517.7	Francis X. Larkin *senior v.p. and pres. rug division sales*	159,849		None Granted; Unexercised Options Held	
Galaxy Carpet Mills	96.5	Irwin Pomerantz *senior v.p., marketing*	125,392	103,749		Incentive Compensation Plan
Graniteville	294.5	H. Tenison Deane[1] *v.p., sales*	159,770			Incentive Plan; Savings Plan; Profit Sharing Plan
Graniteville	294.5	George W. Aufderheide Jr. *v.p., sales*	154,625	19,960	None Granted; Unexercised Options Held	
Graniteville	294.5	Samuel H. Swint Jr. *v.p., sales*	118,824	136,356	None Granted; Unexercised Options Held	
M. Lowenstein	644.6	Julius Lasnick *executive v.p., apparel fabrics marketing*	150,000		Unexercised Options held	Incentive Compensation Plan
Martin Processing	103.7	Ronald A. Ressel *v.p., marketing*	61,797			Stock Bonus Plan; Savings & Stock Ownership Plan; Profit Incentive Plan
Texfi Industries	169.1	Victor H. Schwartz[2] *executive v.p., sales & merchandising*	104,034			
TOBACCO						
Conwood	139.3	C.O. Clarke *v.p., sales*	192,291	19,331		Management Incentive Stock Purchase Plan; Thrift Plan; Deferred Compensation
Conwood	139.3	E.C. Powell *v.p., marketing*	187,403	19,467		
TRANSPORTATION						
McLean Trucking	559.4	Fred C. Bauer *executive v.p., marketing*	91,140	6,850	Granted; Unexercised Options Held	Profit Sharing Plan
St. Louis-San Francisco Railway	447.5	E.D. Grinnel *senior v.p., marketing*	187,758	3,386	Exercised; Unexercised Options Held	Incentive Bonus Plan
Southern Railway	1,467.3	Earl L. Dearhart *executive v.p., marketing*	154,365			Incentive Bonus Plan; Employees Stock Purchase Plan

*Includes salaries, fees, incentives, and bonuses paid in cash plus gains from the exercise of stock options or SARs.
[1]Retired Dec. 31, 1979.
[2]Ceased to be an executive officer of company as of 8/79.
Source: Sibson & Co., Inc.
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NOTE

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